THE ORIGINS OF DETENTE

The Genoa Conference and Soviet–Western Relations, 1921–1922

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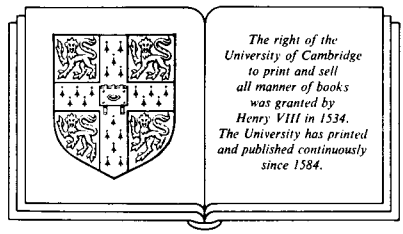

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Europe and Russia after the war

The Genoa Conference of April–May 1922 was the twentieth in a series of inter-Allied gatherings which took place after the end of the First World War and which has subsequently become known to historians as the period of 'conference diplomacy'.[1] The meetings generally took place in Mediterranean seaside resorts – the French prime minister, Raymond Poincaré, dubbed them 'la politique des casinos'[2] – and they generally dealt with matters that the Versailles peace settlement had left unresolved, or in which subsequent complications had occurred. Gatherings of diplomats to rearrange the international system in this way had of course taken place before, most obviously during the Congress of Vienna and the 'Congress system' of 1815–22, and precedents could be found in the Treaty of Westphalia of 1648 and perhaps earlier.[3] Traditional in its form, the Genoa Conference was at the same time a gathering whose proceedings had a distinctively modern tone. Its leading figures were politicians, rather than career diplomats, and its proceedings concerned the reconstruction of the European economy, rather than traditional matters such as the settlement of the terms of peace and the renegotiation of state boundaries. Above all, from the point of view of this study, it was the first conference at which political leaders from both East and West met together and attempted to resolve the nature of the relationship between them, a relationship which has lain at the centre of international politics from the October revolution of 1917 up to the present.

The need for European reconstruction was certainly not in doubt, for the war just concluded had left the continent devastated. Population losses, for instance, are estimated to have amounted to between 22 and 24 million, adding together military and civilian deaths as

well as births that failed to take place because of wartime conditions. This was equivalent to some 7 per cent of the population of the continent before the war had begun. A further 7 million were disabled and 15 million were seriously wounded.[4] War losses and injuries affected the combatant nations more than the non-combatants, and some of the combatant nations were affected more severely than others. Germany, France and Russia all lost between 1 and 2 million of their respective populations in military casualties alone; France, in particular, lost some 3.3 per cent of her population and, because losses were disproportionately concentrated among adult males of working age, about 10 per cent of her total workforce. The war was followed by an influenza epidemic which took more lives – an estimated 20 million – than all the wartime hostilities had done, and left a weakened population susceptible to further outbreaks. Apart from this, there were further losses of population due to famine in eastern Europe and the Balkans, and due to border conflicts and pogroms, particularly in south-eastern Europe. Total population losses over the period 1914–21 may have amounted to as much as 50 to 60 million; military casualties alone were more than twice as great as all those that had been suffered over the previous century put together.[5]

Losses of productive potential had also been enormous. About one-thirtieth of income-yielding property is estimated to have been destroyed by the war, together with about the same proportion of fixed assets such as roads, railways and housing. There were further losses of foreign investments and losses of property and territory, particularly for the defeated nations under the terms of the peace treaties. Again, the incidence of destruction and loss varied considerably from country to country. The neutral nations were almost entirely unaffected; some belligerent countries suffered relatively little; but in the main theatres of war, particularly in France and Belgium, damage was very substantial indeed. In Belgium, for instance, about 6 per cent of the total housing stock was destroyed or damaged beyond repair, together with half of the steel mills and three-quarters of the railway rolling stock, and thousands of acres of agricultural land were rendered unfit for cultivation. In France the severest losses were in the north-east of the country, the richest and most advanced area before the war. In 1919 these areas produced no more than 34 per cent of what they had produced in 1913, and total French losses were estimated to have amounted to about fifteen

months' pre-war national income or about eleven years' investment.[6] The loss of productive potential in some other countries was even greater: Poland, for instance, was devastated, and Serbia, Austria and some other areas also suffered heavily. Germany suffered less material damage but most of her foreign assets were sold or seized, and Britain lost much of her shipping and a substantial proportion of her overseas investments.[7]

The financial consequences of the war were equally serious. The war had for the most part been financed by borrowing, rather than by taxation, and much of the borrowing represented bank credit rather than savings or other assets. On average 80 per cent of the total war expenditure of the belligerents had been raised in this way, and in Germany and France almost the entire total. The outcome was that public debts rose rapidly in all countries, short-term debts rose still more rapidly, the money supply increased considerably, and the banks' metallic reserves in relation to liabilities fell sharply.[8] Nearly all the European countries were forced to abandon fixed parities against gold for their currencies, and prices rose rapidly. Most countries experienced a doubling or trebling of prices over the course of the war; wholesale prices in Germany at the end of the war were in fact five times higher than their pre-war level, and the mark had declined to half of its former value. Austria and Hungary suffered a still greater depreciation in their currency values, and the French, Belgian and other currencies also lost considerably in value. Attempts to deal with the problem by severe cuts in public spending had serious consequences for output and employment in countries like Great Britain after the war; where the problem was evaded, however, as in Germany, the results were even worse. More generally the instability of currencies which was a legacy of the war hindered the development of trade and the recovery of prosperity, and the intergovernmental debts which had been contracted during the war imposed an additional burden and seriously complicated the reform of international finances.[9]

The Versailles peace treaty, signed on 28 June 1919, provided no solution to these deep-seated problems and indeed made no attempt to do so. Loosely based upon the 'fourteen points' that President Wilson had enunciated on 8 January 1918, the treaty, and those that followed it, sought rather to demonstrate that it had indeed been a 'war for democracy' and for the principle of national self-determination in particular. Quite apart from the difficulty of implementing

such principles in complicated situations such as central and eastern Europe and of reconciling them with economic and other realities, the peace conference was hampered by poor organisation and a fatal lack of agreement among the major powers.[10] The Americans, who had joined the war only in 1917 and were separated by an ocean from European concerns, tended on the whole to place most emphasis upon the conclusion of a just peace which would be consistent with the fourteen points. The British representatives at the conference were rather more concerned to ensure that German colonies and the German navy should pose no future threat to their interests in these areas, and were already reverting to the traditional British view that no single power, France just as much as Germany, should be allowed to dominate the European continent. A German recovery was also important for the revival of British trade. Georges Clemenceau, the French prime minister, had seen two German invasions of France in his lifetime and was determined to make sure that no future German government was allowed to do likewise. He tended accordingly to press for the harshest possible treatment of Germany in the peace settlement, though he was also aware of France's need for economic recovery and sought so far as possible to avoid antagonising his British and American counterparts. The Italians, who played a less prominent role in the negotiations than the other victorious powers, were more concerned to satisfy their territorial ambitions in the Adriatic area than to influence the terms of peace more generally.

The Versailles treaty, accordingly, dealt severely with Germany, as with the other defeated belligerents, but not as severely as Clemenceau and many sections of the press and public opinion in the Allied countries would have wished. The German colonies were confiscated and distributed under mandate to the powers that had occupied them; and a number of border areas were lost, most notably Alsace–Lorraine to France, a part of upper Silesia (after a plebiscite) to Poland and Czechoslovakia, and a strip of territory, the 'Polish corridor', to Poland in order to provide that country with access to the sea as the fourteen points had promised. The Saar coalmines were ceded to France and the whole area was placed under League of Nations trusteeship for a fifteen-year period, after which a plebiscite was to be held to determine under whose sovereignty the local population wished to be placed; and the Rhineland was to be demilitarised and temporarily occupied, although not, as the French had wished, transferred to France or established as an independent

buffer state. In all, Germany lost about 14 per cent of her pre-war territory, about the same proportion of her economic potential, and some 10 per cent of her pre-war population.[11] Apart from this, Germany was allowed to have no air force, the army was reduced to a 100,000-man peace-keeping force, Kaiser Wilhelm II was to be handed over for trial as a war criminal (in the event the Dutch, among whom he had taken refuge, refused to extradite him), and a number of other alleged war criminals were to be sent for trial to Allied military courts (in the end only twelve were brought to justice in this way, the majority of whom were acquitted).[12]

Above all, the treaty required the Germans to pay a substantial though as yet undetermined sum to the Allies in the form of reparations. The legal basis for this exaction was article 231 of the treaty, which bound the Germans to accept responsibility for the losses and damage suffered by the Allied and associated governments 'as a consequence of the war imposed upon them by the aggression of Germany and her allies'.[13] The treaty did not specifically mention 'war guilt', and analogous clauses were incorporated without much controversy into the treaty settlements with Austria and Hungary respectively. There had nonetheless been strong pressure in both Britain and France for the recovery of the entire cost of the war from Germany, and, although American resistance prevented the adoption of this view as Allied policy, it was agreed that Belgium should receive an indemnity (as the ocupation of that country had been a violation of international law as well as an act of aggression) and that German liability should include pensions and separation allowances for the Allied armies. A reparations commission was to determine the total sum payable by 1 May 1921; in the meantime the Germans were required to make a payment of 20 milliard gold marks in cash and in kind. A total liability of 132 milliard gold marks was eventually agreed and announced on 27 April 1921. The new German authorities accepted the schedule which was agreed the following month and made a first cash payment in the summer of 1921, but the issue, together with that of international indebtedness more generally, proved a potent source of inter-Allied friction and complicated the task of economic recovery for at least the first half of the decade.[14]

The treaty settlement was a source of other international complications as well. The attempt to institutionalise the principle of national self-determination, for instance, led – perhaps inevitably – to the establishment of a fragile network of states in eastern and

central Europe whose boundaries coincided far from perfectly with those of the national groups they purportedly represented. Poland, for example, with a population of 27 million, contained 18 million Poles by Polish estimates but far fewer in the view of others. Czechoslovakia's population of over 14 million included more than 3 million Germans and three-quarters of a million Magyars, and more than 3 million Magyars were left outside the borders of Hungary. There were substantial German minorities of half a million or more in Romania, Hungary and Yugoslavia, a Magyar minority of approaching 2 million in Romania and of half a million in Yugoslavia, and minorities of Ukrainians, Slovaks, Albanians and others elsewhere in the same area.[15] Italy subsequently acquired the substantially German area of South Tyrol, while Greece (under the stillborn Treaty of Sèvres) was allocated a number of Turkish islands in the Aegean and a part of the Turkish mainland. All of this left ample scope for irredentist and other movements throughout the inter-war period. Nor were the states which had lost rather than gained territory necessarily more viable. Austria, for instance, lost territory and population to Italy, Czechoslovakia, Poland, Romania and Yugoslavia. The rump state that was left retained an imperial superstructure in Vienna, the city in which a third of its population resided, but it had lost the productive hinterland by which it had previously been sustained and was to prove chronically insolvent throughout the 1920s.[16]

Still more serious were the implications of these new arrangements for the economic recovery of the continent. The Versailles treaty settlement had been the most extensive redrawing of the political map of Europe that had ever been undertaken. Seven entirely new states came into existence with the collapse of the German, Austro-Hungarian and Russian empires; some 12,500 miles of new frontiers were created, more than twenty new customs unions, and many new currencies and legal systems. Communications networks were naturally disturbed and traditional trading relationships were severely disrupted. Indeed even within the newly established states the problems of economic integration were often formidable. Yugoslavia, for instance, inherited five railway systems with four different gauges, each of which served a different centre, so that together they failed to form an integrated national system.[17] In states which had lost territory the situation was hardly better. The Austrian textile industry, for instance, was broken up; the spindles were

located in Bohemia and Moravia, which became part of Czechoslovakia, while the weaving looms remained in the vicinity of Vienna. An Austrian reunion with Germany, which would have left that country more populous than in 1914 but would have accorded with the principle of national self-determination, was specifically ruled out under the peace treaties with both countries. Elsewhere Hungary retained about half of its industrial undertakings but lost most of the supplies of timber, iron ore, water power and other resources on which they largely depended; Silesia was broken into three separate parts; and the coal of the Ruhr was separated from the iron ore of Lorraine, which was now in France.[18]

The main constructive element in the treaty settlement was the establishment of the League of Nations, which was incorporated as Part I in each of the peace treaties. Its establishment was the principal concern of President Wilson, and at his insistence its Covenant was the first major document to be agreed upon at the peace conference. The Covenant provided for an Assembly, within which decisions had to be unanimous on matters of substance, and for a Council, permanent membership in which was accorded to the five major Allies (Britain, France, Italy, the United States and Japan). The central obligation of the Covenant was contained in article 10, which bound the members of the League to 'respect and preserve as against external aggression the territorial integrity and existing political independence of all Members of the League'.[19] Every war or threat of war was declared a matter of concern to the League; every member agreed to submit all disputes to arbitration, legal settlement or inquiry by the Council of the League; and under the provisions of article 16, if any member resorted to war in defiance of its obligations to the League it would be deemed to have committed an act of war against all other members and would be sanctioned accordingly. Other provisions related to matters such as the reduction of armaments and the peaceful revision of boundaries.[20] The League, however, lacked the means of imposing its will when countries chose to disregard its moral authority, and its influence in the early 1920s was further reduced by the somewhat arbitrary exclusion from membership of the major defeated belligerent, Germany, and of Soviet Russia. In general it was not a significant factor in the international politics of the period.[21]

The failure of the Allies to deal systematically with the economic reconstruction of the continent was perhaps an even more serious

shortcoming in the treaty settlement. The immediate crisis in central Europe did lead to some measures of famine relief, particularly through the American Relief Administration, which was established early in 1919 by the Allied Supreme Council to deal with matters of this kind. Under its auspices a steady stream of food deliveries began to take place, and by the late summer of 1919 a substantial quantity of produce had been supplied, most of it on a cash or credit basis, to the defeated countries and to the Allies respectively. No more than 10 per cent consisted of outright gifts, however, and the programme was in any case curtailed by the latter part of the year, with responsibility for relief operations passing mainly to private and semi-official organisations. By this time it had scarcely begun to make an impression upon the problem, particularly in central and eastern Europe.[22] Apart from food, capital and raw materials were also in very short supply; but no serious attempt was made to deal with these matters either, and in the early post-war years many central and eastern European countries either went short or else paid for imports at high prices by borrowing, which ultimately made matters worse. Recovery was in turn delayed, and unemployment benefits and relief payments, in addition to high levels of military spending, kept government expenditure at record levels at a time when the taxable capacity of the population had been reduced to an exceptionally low ebb. Budgets failed to balance, inflation accelerated, and currencies depreciated still further as a result.[23]

The treaties were not lacking in critics at the time, the most influential of whom was a young Cambridge economist, John Maynard Keynes, who had been attached to the Treasury and then to the British delegation at the Paris peace conference. Keynes's book, *The Economic Consequences of the Peace*, was published in December 1919; in six months it had sold 100,000 copies, and it was swiftly translated into all the major European languages, including Russian.[24] The book began with an unflattering examination of the organisation of the peace conference and of the leading personalities involved, and then went on to consider the practicability of the peace settlement that had been produced. Whatever the moral arguments might be, Keynes argued, a Carthaginian peace was not '*practically* right or possible'. The coal deliveries that Germany had been required to make as a contribution towards reparations, for instance, could not in practice be made, not at least without making it still more difficult for that country to produce the goods that would have

to be produced if reparations were to be paid. The claims for damages that had been made were also exaggerated and excessive, partly because of political pressures in the Allied countries, and partly also because of the deficit financing that had been indulged in during the war, particularly by France and Italy, on the assumption that a defeated Germany would meet the bill. Germany, Keynes pointed out, would simply be unable to provide the sums concerned, as neither a reduction in imports nor an increase in exports on the scale required was feasible.[25]

More seriously, Keynes charged, the treaties made no provision for the economic rehabilitation of a continent still devastated by the consequences of war. There was nothing to persuade the defeated belligerents to become good neighbours; there was nothing to stabilise the new states that had been established, particularly in eastern Europe; there was nothing to reintegrate Russia into the economic life of the outside world; and there was nothing to place economic relations among the Allies themselves upon a more satisfactory footing, or more particularly to regulate the disordered finances of France and Italy or to deal with financial relations between the European powers and the USA. It was an 'extraordinary fact', wrote Keynes, that the 'fundamental economic problem of a Europe starving and disintegrating before their eyes was the one question in which it was impossible to arouse the interest of the Four'.[26] There were three key problems, in Keynes's view: levels of productivity in Europe had fallen significantly, for a variety of reasons; the system of transport and exchange had broken down; and currency difficulties made it impossible for the continent to obtain the supplies it had previously obtained from overseas. His own solution contained four elements: a revision of the treaty, particularly in respect of reparations; the settlement of inter-Allied debts, for the most part by cancellation; an international loan, provided for the most part by the United States, combined with currency reform; and the restoration of economic relations between central Europe and Russia, for the benefit of Allied traders as well as of those countries themselves. The alternative, Keynes concluded, was the 'bankruptcy and decay of Europe'.[27]

Cogent though this was as a critique of the post-war settlement, it perhaps assumed too great a freedom of manoeuvre on the part of those who had framed it. In the first place, the Allies had few means of enforcing their will once the war had ended. The great armies that

had been built up during the war were rapidly demobilised once the peace settlement had been concluded; in Britain's case, for instance, a total strength of 3.8 million in October 1918 had dropped to barely 1 million a year later,[28] and in the case of France, an active army of over 8 million in January 1918 had been reduced to barely 800,000 by the end of 1919. Both totals continued to decline rapidly thereafter.[29] Beyond this again, the very nature of the diplomatic process had changed over the wartime period. The outbreak of war, followed by the publication of the inter-Allied secret treaties, appeared to confirm the view of many radicals that conflicts of this kind sprang not from human wickedness but from the 'old diplomacy', conducted by governments and diplomats beyond the scrutiny of the public. After the war there were very strong pressures to conduct external policy in a manner more in keeping with the democratic spirit of the times; the Soviet government formally abandoned secret diplomacy altogether, and even the Allies were compelled to defer to the 'new diplomacy' by establishing the League of Nations and later by conducting their affairs in conferences rather than by diplomatic correspondence. The influence of popular feeling on matters of this kind was strengthened by the extension of the franchise in most European countries after the war to the whole adult population, and by a series of general elections which brought public and parliamentary opinion more closely into correspondence than they had been since the outbreak of the war.[30]

Not simply were the means of enforcing the settlement lacking, or at least subject to constraints; perhaps more important, the political will was also absent. The treaty, indeed, had scarcely been concluded before the Allied front began to collapse. In the United States, whose president had been the treaty's intellectual architect, the Senate had to approve its signature by a two-thirds majority for it to be ratified. The Republican party, which had secured a majority in the Senate in the elections of November 1918, was naturally reluctant to add to the standing of a Democratic president by approving the negotiations in which he had engaged abroad. Opponents of the treaty in the Senate took advantage of a popular mood which was hostile to the notion that the United States should become a party to further conflict in Europe, and which was increasingly disposed, now that the war had ended, to see the Allies as ungrateful and selfish, the peoples of central Europe as insatiable in their demands for aid, and the defeated Germans, in their misery, as worthy of sympathy rather than further punishment. Wilson, returning from the peace confer-

ence, undertook a vigorous campaign to persuade the American people of the merits of the settlement; but his health gave way, and on 2 October 1919 he suffered a stroke. Unable to promote the treaty as effectively as before, he nonetheless remained determined to resist what he regarded as damaging amendments moved in the Senate by his Republican opponents. On 19 November 1919 most of the Democratic senators, under orders from Wilson, voted against ratifying the treaty with the reservations that its opponents had attached to it; finally, on 19 March 1920, a majority voted for the treaty as amended, but the total vote in favour fell short of the two-thirds majority necessary for ratification.[31]

Wilson remained confident that the treaty would be approved after the presidential elections of November 1920; but popular opinion had become increasingly hostile to the treaty and to the League of Nations framework generally, and a Republican president, Warren G. Harding, was returned by a large majority on a slogan of 'return to normalcy'. In August 1921 his administration signed a separate treaty ending the state of war with Germany, and analogous treaties were signed with Austria and Hungary, confirming America's privileges but not responsibilities under the treaties of Versailles, Saint-Germain and Trianon. Senate approval was contingent upon the reservation that the United States would not participate in any treaty commissions without Congressional approval.[32] The United States, accordingly, which had played a central role in the negotiation of the treaty and especially in the establishment of the League, ended up a non-party to the Versailles settlement and a non-member of the League. American troops remained in the Rhineland until January 1923, but thereafter American dealings with the other Allies were limited essentially to demands for the repayment of the substantial debts that the other Allies had accumulated during the war, which successive American presidents refused to associate in any way with the question of German reparations ('They hired the money, didn't they?', as President Coolidge is reported to have remarked), and to negotiations on naval matters, where an active American programme of construction appeared to threaten that country's traditionally good relations with the United Kingdom.[33]

America's withdrawal from the peace settlement was of particular concern to France, the Allied country most severely affected by the war and the one most fully committed to a harsh settlement with Germany. Clemenceau had fought hard to have the Rhineland

separated from Germany, and had given way only when Lloyd George and Wilson gave a formal guarantee that in the event of another German invasion France would not fight alone. Two treaties of guarantee, signed on 28 June 1919 at the same time as the Versailles treaty itself, bound both Britain and the Unites States to come to the assistance of France in the event of any 'unprovoked movement of aggression against her being made by Germany'.[34] The treaty with Britain, however, was to come into force only when the corresponding treaty with the United States had been ratified, and when the United States Senate rejected the Versailles treaty Wilson lost interest in it and the treaty of guarantee was not put to a vote. The British as well as the American treaty of guarantee lapsed as a result. The French naturally felt they had been duped, and Clemenceau, who had accepted the guarantee in place of the material guarantees of security urged by Marshal Foch and President Poincaré, paid the penalty himself. At an election in January 1920 he was defeated for the post of president; the next day he resigned as premier and his long career in French politics came to an abrupt end. The major French preoccupations in the year that followed were to secure the full implementations of the Versailles treaty, to strengthen French security by developing relations with the 'Little Entente' (Czechoslovakia, Romania and Yugoslavia) as a counterweight to Germany in the East, to build up a strong and independent Poland, and to negotiate a bilateral treaty with Britain which might take the place of the lapsed treaty of guarantee.[35]

French domestic politics in the early 1920s conveyed an impression to many outside observers of intransigence and even vengefulness.[36] The unilateral occupation of Darmstadt and Frankfurt in April 1920, when the German government sent troops into the demilitarised zone in order to suppress a left-wing rising, certainly gave grounds for such a view. French concerns, however, rested on a solid foundation. France had accumulated enormous debts to the United States and Britain, on whose repayment the United States authorities in particular were insisting and which could be repaid only if France's full share of reparations were forthcoming from Germany. Beyond this again lay the reality of a long Franco-German border, and apprehensions not unreasonably engendered by the dominance that Germany had come to exercise upon the continent generally. In the 1860s French population numbers had been comparable with those of Germany, at just over 38 million in 1866 as compared with

Germany's 37.8 million in 1864. The German population, however, increased much more rapidly than that of France, and by the early 1920s, even after the return of Alsace–Lorraine, France's population had reached no more than 38.8 million as compared with Germany's 60 million or more. In industry a similar process had occurred. In 1870, for instance, France produced about half as much coal as Germany, but by the early 1920s the proportion had dropped to about a quarter; and French steel production had fallen from about two-thirds to no more than a third of that of Germany over the same period.[37] In agricultural terms French performance was relatively more creditable, but from a French perspective there was every reason in the early 1920s to fear that Germany would acquire the political and perhaps military role for which her population, area and resources appeared to equip her, and every reason to insist upon the full implementation of a peace treaty which appeared to offer at least some prospect of security in this connection.

Britain, the other member of the 'Big Three', had suffered relatively little in the war, and with the onset of peace more traditional preoccupations began to reassert themselves. David Lloyd George, prime minister since December 1916, headed a coalition government whose mandate had been massively renewed at the 1918 'Khaki' general election. He headed the British delegation at the Paris peace conference, and began, with the assistance of a personal secretariat, to develop a role in the making of British foreign policy which threatened to eclipse that of the Foreign Office and of his foreign secretaries, Arthur Balfour and (from October 1919) Lord Curzon. The prime minister had a number of personal prejudices, such as a hostility towards Poland and a sympathy towards Greece, which made a substantial independent contribution to the making of British foreign policy on a number of occasions during the early 1920s. Yet there was little serious disagreement, among politicians or among the public more generally, about the broad lines of British policy. After the jingoism of the 1918 elections had faded, it began to be felt that Germany had been treated rather too harshly and that France, by insisting on the full execution of the treaty, was threatening the future peace of the continent. British public as well as official opinion, moreover, tended to favour a balance of power in Europe rather than the dominance of a single power, and particular importance was attached to the development of opportunities for trade and commerce upon which Britain, much more than its continental neighbours,

depended for its prosperity. As Germany's share of British exports began to drop, from 8.3 per cent before the war to only 1.5 per cent in 1920, it began to appear less than the height of wisdom to insist upon a peace settlement which impoverished the defeated powers.[38]

Britain, moreover, had differences with France over a wide range of issues, from the construction of submarines to the status of Tangier and the position of both powers in the Middle East, as well as a variety of extra-European commitments which made it appear even less wise to bind British policy too closely to that of France. Most obviously, there was the empire or, as it was shortly to become, the British Commonwealth of Nations. Still the largest empire the world had ever seen, it was threatened at many points by a rising tide of nationalist sentiment, which the Wilsonian doctrine of the rights of small nations and the experience of the war itself had helped to encourage. Nationalist pressures were increasing in the immediate post-war period in India and in Egypt; but it was Ireland which posed the most serious political danger in the early 1920s. The 1918 elections in that country had produced a sweeping victory for the nationalists; the elected members refused to take their seats in Westminster and declared the country's independence. An increasingly bloody military conflict followed. In July 1921 a truce was declared, and by the end of the year a treaty had been concluded which brought into being an Irish Free State exercising authority over most of the island. Apart from all this, Lloyd George and his colleagues faced a vigorous resumption of pre-war industrial conflicts upon the British mainland itself. The miners, railwaymen and transport workers resurrected their earlier 'triple alliance'; the railwaymen went on strike in September 1919, the miners in October 1920 and again the following year. Yet powerful as these domestic and extra-European preoccupations might be, Britain remained a trading nation; and when the post-war boom collapsed at the end of 1920 it was clear that the economic recovery of the continent was a necessity for Great Britain just as much as it was for the countries most immediately concerned.[39]

Of the other Allies, Italy had entered the war rather late, in May 1915, and played a peripheral role at the peace conference, being mainly concerned with developments in the Adriatic area where she had extensive territorial claims. These claims had received the support of the Allies in the Treaty of London, secretly concluded on 26 April 1915, which promised Italy not only the Brenner frontier

(including a substantial German minority) but also Istria and the largest part of Dalmatia. Italian claims, however, were felt to have received insufficient recognition at the peace conference, and the Italian representatives withdrew altogether in April 1919 over the refusal of the other powers to accede to their demands for Fiume, a partly Italian city which had not specifically been promised to Italy under the Treaty of London, and to which the newly established Yugoslav state also laid claim. Italy duly signed the peace treaty, but with a rather bad grace, and in September 1919 the Italian government connived in the seizure of Fiume by the nationalist poet Gabriele d'Annunzio and a group of followers. A formal treaty with Yugoslavia was eventually concluded in November 1920 under which Fiume was declared a free city and its Istrian hinterland was partitioned between the two powers. Italian territorial ambitions nonetheless remained unsatisfied, and throughout the inter-war period Italy was generally a 'revisionist' power, determined to alter the terms of the Versailles settlement to her own advantage. The Italian elections of 1919, the first to be held on the basis of proportional representation, failed to produce a decisive result, and Italian affairs were presided over until 1922 by a series of unstable coalitions headed by a succession of Catholic or socialist prime ministers.[40]

Further away, Japan was also a revisionist power, and a power little committed (for obvious reasons) to the economic reconstruction of Europe. Japanese delegates took little part in the discussion of European matters at the peace conference, showing most interest in questions which directly affected Japanese interests such as racial equality and the disposition of the Shantung peninsula. The Japanese in the end were awarded not only the former German territory in the peninsula but also a mandate over the formerly German islands in the northern Pacific, and they took advantage of the collapse of the Russian empire to intervene in eastern Siberia, ostensibly to block the spread of Bolshevism. Japanese troops remained in the area until the autumn of 1922. Japan's expanding naval power appeared also to threaten American interests in the Pacific until a four-power pact, embracing both countries as well as France and Great Britain, was concluded at the Washington Conference in late 1921 and early 1922. Japanese pressure for the insertion of a clause on racial equality into the Covenant of the League of Nations – which would have had implications for the question of immigration into the United States and the British Dominions – was however resisted.[41] Of the other